

ORIGINAL

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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Mailing Online Service )

Docket No. MC98-1

OFFICE OF THE CONSUMER ADVOCATE  
INTERROGATORIES TO UNITED STATES POSTAL SERVICE  
WITNESS: DANIEL STIREWALT  
(OCA/USPS-T3-25-34)  
August 21, 1998

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-T1-1-7 to witness Lee Garvey, dated July 21, 1998, are hereby incorporated by reference.

Respectfully submitted,

*Gail Willette*

Gail Willette  
Acting Director  
Office of the Consumer Advocate

*Shelley S. Dreifuss*

Shelley S. Dreifuss  
Attorney



OCA/USPS-T3-25. Please refer to USPS-LR-1/MC98-1, Attachment 1, page 6. Please confirm that the "YR 1999 Estimate" for the total annual number of Mailing Online transactions is 71,772 (5,981 users x 12 average customer sessions per user per year).

If you do not confirm, please explain.

OCA/USPS-T3-26. Please refer to the table below.

	1999	
	[a]	[b]
<b>Black &amp; White 8.5x11 &amp; 8.5x14</b>		
Information Systems - Variable	\$710,294	\$9.90
Information Systems - Fixed	\$379,097	\$5.28
Cost per Transaction		\$15.18
<b>Black &amp; White 11x17</b>		
Information Systems - Variable	\$199,401	\$2.78
Information Systems - Fixed	\$106,424	\$1.48
Cost per Transaction		\$4.26
<b>Spot Color 8.5x11 &amp; 8.5x14</b>		
Information Systems - Variable	\$648,929	\$9.04
Information Systems - Fixed	\$346,346	\$4.83
Cost per Transaction		\$13.87
<b>Total Transactions per Year [c]</b>		71,772

**NOTES AND SOURCES:**

[a] USPS-T-2, Exhibit A, Table 1.

[b] [a] / [c]

[c] USPS-LR-1/MC98-1, Attachment 1, at 6. 71,772 = 5,981 users x 12 average customer sessions per user per year

Please confirm that the cost per transaction for Black & White 8.5x11 & 8.5x14, Black & White 11x17, and Spot Color 8.5x11 & 8.5x14 is \$15.18, \$4.26 and \$13.87, respectively. If you do not confirm, please explain and provide the correct cost per transaction.

OCA/USPS-T3-27. Please refer to USPS-LR-1/MC98-1, Attachment 1, page 6, at the line "Number of pages per Document."

- a. Please confirm that the term "Document" means the same as "pieces," as used in the testimonies of witnesses Seckar and Rothschild. If you do not confirm, please explain.
- b. Please explain how many impressions are associated with the figure 3.2.

OCA/USPS-T3-28. Please refer to USPS-LR-1/MC98-1, Attachment 1, page 6. Please reconcile the "Number of pages per Document" of 3.2 with the number of impressions per piece of 6.7823. See interrogatory OCA/USPS-T2-10(a).

OCA/USPS-T3-29. Please refer to USPS-LR-1/MC98-1, Attachment 1, page 6, and the line "Number of Bytes Per Page Word Processing/Desktop Publishing."

- a. Please confirm that, all other things being equal, a one-page document consisting of plain text would involve fewer bytes than a one-page document consisting of graphics. If you do not confirm, please explain.
- b. Please confirm that, all other things being equal, a one-page document having more bytes would cost more in terms of computing power, storage and transmission than a one-page document having fewer bytes. If you do not confirm, please explain.

OCA/USPS-T3-30. Please refer to USPS-LR-1/MC98-1, Attachment 1, page 7. Please confirm that the "Average mailing pieces per document" also represents the number of pieces per transaction. If you do not confirm, please explain.

OCA/USPS-T3-31. Please refer to USPS-LR-1/MC98-1, Attachment 1, page 11.

- a. For the "YR 1999 Estimate," please confirm that the costs of the Technical Help Desk are dependent upon the estimated number and duration of first-time calls and on-going calls per year. If you do not confirm, please explain.
- b. For the "YR 1999 Estimate," please confirm that the estimated number and duration of first-time calls and on-going calls to the Technical Help Desk are dependent upon an the estimated number of customers per year. If you do not confirm, please explain.
- c. For the "YR 1999 Estimate," please confirm that, rather than using the number of customers to estimate the number and duration of first-time calls and on-going calls per year, you could use the estimated number of transactions per year. If you do not confirm, please explain.

OCA/USPS-T3-32. Please refer to USPS-LR-1/MC98-1, Attachment 2.

- a. For the "ANNUAL COSTS, YR 1999," please confirm that the following represent labor, or labor-related, costs of providing the information technology services related to Mailing Online:
  - i. Technical Help Desk Manager, \$100,000 (1 @ \$100,000);

- ii. Technical Help Desk Staff, \$180,000 (3 @ \$60,000);
- iii. Training for New Hires/Replacements, \$2,000 (2 @ \$1,000);
- iv. Program Manager (Primary and Secondary Processing), \$120,000 (1 @ \$120,000);
- v. System Manager (Primary and Secondary Processing), \$120,000 (1 @ \$120,000);
- vi. Data Base Administrator (Primary and Secondary Processing), \$150,000 (1.5 @ \$100,000);
- vii. Systems Administration (Primary and Secondary Processing), \$150,000 (1.5 @ \$100,000);
- viii. Application Software Support (Primary and Secondary Processing), \$200,000 (2 @ \$100,000);
- ix. "Install Equipment at addtl Print Sites," \$0 (40 hrs. @ \$65/hr. x 0 sites);  
and
- x. "USPS Equipment Maintenance at all Print Sites," \$52,000 (80 hrs. @ \$65/hr. x 10 sites).

If you do not confirm, please explain. Also, please identify and provide the estimated costs for any labor costs in Attachments 1 and 2 not identified in this part above.

- b. Please confirm that the labor costs identified in part (a), subparts (i)-(x), above are labor costs for postal employees. If you do not confirm, please explain and identify those costs that are labor costs for other than postal employees.

OCA/USPS-T3-33. Please refer to USPS-LR-1/MC98-1, Attachment 2, page 18.

- a. Please explain why you treated the costs to "Install Equipment at Initial Print Sites - Labor" as a fixed cost, rather than a variable cost, in "YR 1999."
- b. Please explain why you treated the costs to Install "Equipment at Initial Print Sites - Travel" as a fixed cost, rather than a variable cost, in "YR 1999."

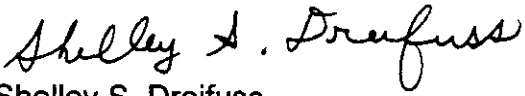
OCA/USPS-T3-34. Please refer to USPS-LR-1/MC98-1, Attachments 1 and 2, and the "NOTES" on page 18, which state:

All labor estimates are in resource years, not number of personnel.  
Personnel are not assumed to be working full-time on Mailing Online.  
Actual number of personnel assigned to Mailing Online over time will vary according to work load.

- a. Please define the term "work load."
- b. Please define the term "resource years."
- c. Please convert the number of resource years wherever they appear in Attachments 1 and 2 to the number of full-time equivalent (FTE) employees.
- d. Please explain the other duties, activities and responsibilities of the personnel assigned to Mailing Online, since such "Personnel are not assumed to be working full-time on Mailing Online."

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

  
Shelley S. Dreifuss  
Attorney

Washington, D.C. 20268-0001  
August 21, 1998